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For information about the Contractors State License Board, visit our Web site, www.cslb.ca.gov or call toll-free 1-800-321-CSLB (2752).



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Foreword

Construction is one of the largest industries in California's diverse economy, affording numerous opportunities for success. With approximately 280,000 active contractor licenses currently issued, the Contractors State License Board receives more than 23,000 applications for new licenses each year.

This booklet answers many of the most frequently asked questions about what is needed to qualify for and obtain a contractor's license. The procedure for obtaining a contractor's license makes becoming a licensed contractor more convenient than ever—there are testing sites located statewide, and now you can check on the status of your application via our toll-free telephone number or Web site 24 hours a day.

However, merely holding a contractor's license does not make for a successful contractor. You must be skilled in the chosen craft and diligent in business affairs—one or the other is not good enough! You (and your employees) must be willing and able to perform to acceptable trade standards and according to plans and specifications. To survive in an increasingly competitive market, you must also fulfill your duties and responsibilities as a licensed and regulated business in California.

Besides licensing contractors, the Contractors State License Board handles approximately 25,000 construction-related complaints a year. As our testing services for potential contractors have expanded, so have our enforcement activities against unlicensed contractors in the underground economy and unscrupulous licensed contractors. Consumer protection and construction productivity must co-exist in California, and we're seeing that they do by emphasizing enforcement education for the consumer as well as for the contractor.

Study beyond what you need to pass the test. Continue upgrading your skills in your craft and in business matters. Read the educational articles in each issue of the *California Licensed Contractor*, a newsletter you will receive when licensed. Take advantage of other educational opportunities as they arise because only by mastering both your craft and your business can you ensure success.

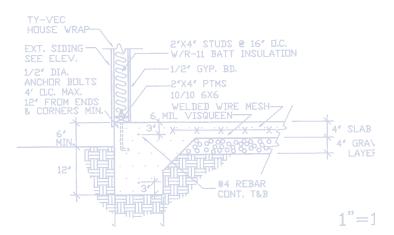
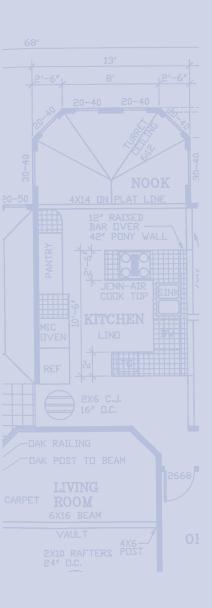
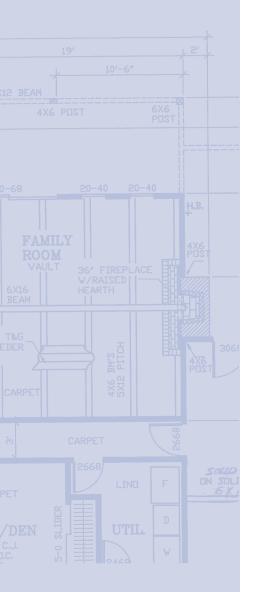


Table of Contents

General Requirements

1	Who can become a licensed contractor?	7
	Who can become a licensed contractor?	
2.	Who must be licensed as a contractor?	
3.		
4.		
	Does California recognize contractors' licenses issued by other states or countries?	
6.	What happens if I contract without a license?	8
	Experience Requirements	
7.	What kind of experience is required for a contractor's license?	9
8.		
9.	May I substitute any education, technical training, or apprenticeship training for the required experience?	9
10.	How much credit can I expect to receive for technical training, the completion of an approved apprenticeship program, or related college or university education?	. 10
	License Classifications	
11.	What are the contractor license classifications?	. 11
12.	In what trades may I obtain a class "C" specialty contractor's license?	. 11
13.	Are there any special requirements for contractors who work with asbestos or other hazardous substances?	. 12
14.	Are there any other requirements I need to complete?	. 13
15.	What is Home Improvement Certification?	. 13
16.	What qualifies as home improvement?	. 13
17.	How can I obtain certification?	. 13
	Applying for a License	
18.	How do I apply for a contractor's license?	. 14
19.	Will the CSLB acknowledge receipt of my application?	. 15
20.	How long does it take to complete the license application process?	. 15
21.	How will I know if my application is approved?	. 15
22.	How can I check on the status of my application?	. 15
23.	What happens if my application is not approved?	. 16
24.	If my application is not approved, can I get a refund of the application fee?	. 16
25.	How do I apply for a joint venture license?	. 16
	When does a joint venture license expire?	
	What is cause for suspension of a joint venture license?	
	Licensing Examinations	
28.	Is there an examination requirement for a contractor's license?	. 17
	Under what circumstances is a waiver of an examination granted?	
30.		
31.	If I think I am eligible for a waiver, must I complete the experience section of the application?	
	==	





32.	How will I find out if I have to take the examination?	18
33.	How soon after filing my application will I receive my	
	Notice to Appear for Examination?	
	Where are the examinations given?	
	What are the major components of the examination?	
	What does the Law and Business examination cover?	
	How can I prepare for the Law and Business examination?	
	How can I prepare for my trade or certification examination?	
	What are the trade examinations like?	
	What should I bring to the examination site?	
41.		
	What is involved with the Computer Assisted Testing (CAT) system?	
	What kind of feedback will I receive?	20
44.	If I fail to appear for an examination or fail to pass the Law and Business and/or a trade examination, may I retake the examination(s)?	20
45.	May I review the test questions after the examinations?	20
46.	Are there any penalties for disclosing the contents of a state examination?	21
47.	What will I receive to show that I'm licensed?	21
48.	How long before I receive those documents?	21
	License Issuance	
49.	To whom is a license issued?	22
50.	If the ownership of a business changes, is the contractor's license considered to be part of the purchase?	22
51.	What is the difference between an active and an inactive license?	
52.	To whom does the term "qualifying individual" refer?	22
53.	What is the qualifying individual required to do?	22
54.	Can the same person serve as the qualifier for more than one license?	22
55.	Who can be a qualifying individual?	23
56.	Will a conviction for a criminal offense prevent a person from being licensed as a contractor or from serving as a qualifying individual?	23
	Financial Requirements	
57.	Are there any financial requirements to meet in order to qualify	
	for a contractor's license?	24
58.	J 1	
	Where do I obtain bonds?	
	How long is a bond valid?	
61.	What is the total amount of fees I must pay to obtain a contractor's license?	24
	Do I need to be concerned about Workers' Compensation Insurance?	
63.	How long is a license valid?	24
	General Information	
Sche	dule of Fees	25
CSL	B's Automated Phone System, Web Site	26
	ication Order Form	



Mission

The Contractors State License Board protects consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction.

The Contractors State License Board will accomplish this by:

- Ensuring that construction is performed in a safe, competent and professional manner;
- Licensing contractors and enforcing licensing laws;
- Requiring that any person practicing or offering to practice construction contracting be licensed;
- Enforcing the laws, regulations and standards governing construction contracting in a fair and uniform manner;
- Providing resolution to disputes that arise from construction activities; and
- Educating consumers so that they may make informed choices.

Contractors State License Board

The Contractors State License Board (CSLB) was established in 1929 as the Contractors License Bureau under the Department of Professional and Vocational Standards. Today, the CSLB is part of the Department of Consumer Affairs.

A fifteen-member appointed board elects the CSLB's executive officer, or registrar of contractors, and directs administrative policy for the agency's operations. This appointed board includes nine public members (eight noncontractors and one local building official), five contractors, and one labor representative. Eleven appointments are made by the Governor and four are made by the Legislature. The board holds regularly scheduled public meetings throughout the state. These meetings provide the public an opportunity to testify on agenda items and other issues.

The CSLB licenses and regulates contractors in 43 license classifications that constitute the construction industry. Currently, there are approximately 280,000 licensed contractors in the state. The registrar oversees approximately 400 employees who work at the headquarters office in Sacramento and field offices throughout the state.

The headquarters staff receive and process applications for new contractors' licenses, additional classifications, changes of license records, and license renewals. They also review and maintain records of disciplinary actions initiated by the field offices, provide verified certificates of licensure used in court or other actions, provide the status of licensure and other support services.

Headquarters directs the activities of field offices and initiates disciplinary actions resulting from their investigations. Field office staff investigate consumer complaints against contractors. The Statewide Investigative Fraud Team (SWIFT) focuses on unlicensed activity.

CSLB Call Center technicians are trained to answer questions about the licensing process and the current status of licensed contractors and home improvement salespersons. Callers who need to speak directly to a technician may call (916) 255-3900 from 8 a.m. to 4:30 p.m., Monday–Friday.

CSLB's automated public information line, 1-800-321-CSLB (2752), operates 24 hours a day. Callers can determine whether or not a contractor's license is valid by entering the contractor's license number. The information provided includes the licensee's business name, license status, classifications held, business type, and disclosable complaints and CSLB legal actions (if any). They may also listen to recorded information on licensing and examination procedures, complaint procedures and how to obtain more information on legal actions, the location and hours of CSLB offices, and current topics such as recently passed laws or regulations. Callers can also order forms, applications and other publications.

The same information is available on the CSLB's Web site, www.cslb.ca.gov, where one can look up a contractor by license number or by name and obtain the licensee's business name and address, license status, disclosable complaints and CSLB legal actions (if any), classifications held, business type, bond and workers' compensation information.

CSLB offers a variety of publications that guide consumers in making informed choices when contracting for home repairs and improvements. Check the Web site for details or write to CSLB Public Affairs, P.O. Box 26000, Sacramento, CA 95826.

General Requirements

1. Who can become a licensed contractor?

To qualify to become a licensed contractor an individual must be 18 years of age or older and have the experience and skills necessary to manage the daily activities of a construction business, including field supervision, or must be represented by someone else with the necessary experience and skills, who serves as the qualifying individual.

The contractor or other person who will act as the qualifying individual must have had, within the ten years immediately before the filing of the application, at least four full years of experience at a journey level, or as a foreman, supervisor, or contractor in the classification for which he or she is applying. The experience claimed on the application must be verifiable and individuals who have knowledge of the experience must certify the accuracy of the experience information provided by the applicant (page 3 of the application).

2. Who must be licensed as a contractor?

All businesses or individuals who construct or alter any building, highway, road, parking facility, railroad, excavation, or other structure in California must be licensed by the California Contractors State License Board (CSLB) if the total cost (labor and materials) of one or more contracts on the project is \$500 or more. Contractors, including subcontractors, specialty contractors, and persons engaged in the business of home improvement (with the exception of joint ventures and projects involving federal funding) must be licensed before submitting bids. Licenses may be issued to individuals, partnerships, corporations, or joint ventures. The CSLB does not issue licenses to Limited Liability Companies (LLC's).

3. Is anyone exempt from the requirement to be licensed?

Yes. Here are some of the exemptions:

- Work on a project for which the combined value of labor, materials, and all other costs on one or more contracts is less than \$500 falls within the minor work exemption. Work which is part of a larger or major project, whether undertaken by the same or different contractors, may not be divided into amounts less than \$500 in an attempt to meet the \$500 exemption. Unlicensed contractors must provide the purchaser with the written disclosure in B&P Code section 7048 stating that they are not licensed by the CSLB, or the \$500 exemption does not apply and that a citation can be issued for work completed by an unlicensed contractor;
- An employee who is paid wages, who does not usually work in an independently
 established business, and who does not have direction or control over the performance of work or who does not determine the final results of the work or project;
- Public personnel working on public projects;
- Officers of a court acting within the scope of their office;
- Public utilities working under specified conditions;
- Oil and gas operations performed by an owner or lessee;
- Owner-builders who build or improve existing structures on their own property if they either do the work themselves or use their own employees (paid in wages) to do the work. This exemption is only valid if the structure is not intended or offered for sale within one year of completion;
- Owner-builders who build or improve existing structures on their own property if they contract for the construction with a licensed contractor or contractors;

- Owner-builders who improve their main place of residence, have actually
 resided there for one year prior to completion of the work, and who complete the
 work prior to sale. This exemption is limited to two structures within a threeyear period;
- Sale or installation of finished products that do not become a fixed part of the structure.
- A seller of installed carpets who holds a retail furniture dealer's licenses but who contracts for installation of the carpet with a licensed carpet installer.
- Security alarm company operators (licensed by the Bureau of Security and Investigative Services) who install, maintain, monitor, sell, alter, or service alarm systems (fire alarm company operators must be licensed by the CSLB); and
- Persons whose activities consist only of installing satellite antenna systems on residential structures or property. These persons must be registered with the Bureau of Electronic and Appliance Repair.

4. Do I have to reside in California to get and keep a contractor's license? No.

5. Does California recognize contractors' licenses issued by other states or countries?

No. However, California does have reciprocal agreements with some states that recognize the experience qualifications for certain trades. It is only after the Registrar of Contractors has entered into a reciprocal agreement with the other state and under certain conditions that the Registrar may waive the written trade examination for a contractor licensed in another state. Applicants must still qualify by taking and passing the Law and Business Examination. If you have trade experience or a contractor's license issued by another state or country and you want to contract for work in California, this experience may be acceptable. In any case, you must apply for and be issued a license by the California Contractors State License Board.

6. What happens if I contract without a license?

A contractor's license is not necessary as long as you advertise yourself as an unlicensed contractor, provide your customers with a written statement that you are unlicensed (*see Question 3*), and never contract for jobs costing \$500 or more, including labor and materials.

The Contractors State License Board has established statewide investigative fraud teams that focus on unlicensed contractors and the underground economy. These units conduct stings and sweeps to curtail illegal contracting activities.

Contracting without a license is a misdemeanor. Unlicensed contractors face potential sentences of up to one year in county jail and potential administrative fines of from \$200 to \$15,000. The CSLB filed 1,136 nonlicensee citations and referred 854 nonlicensees to the District Attorney during the 2001-2002 fiscal year. Stings and sweeps are publicized to ensure maximum consumer education.

8

Experience Requirements

7. What kind of experience is required for a contractor's license?

At least four years of experience is required to qualify to take the examination. Credit for experience is given only for experience at a journey level or as a foreman, supervising employee, contractor, or owner-builder. These are defined as follows:

- A journeyman is a person who has completed an apprenticeship program or is an
 experienced worker, not a trainee, and is fully qualified and able to perform the
 trade without supervision.
- A foreman or supervisor is a person who has the knowledge and skill of a journeyman and directly supervises physical construction.
- A contractor is a person who manages the daily activities of a construction business, including field supervision.
- An owner-builder is a person who has the knowledge and skills of a journeyman and who performs work on his or her own property.

All experience claims must be verified by a qualified and responsible person, such as a homeowner, an employer, fellow employee, other journeyman, contractor, union representative, building inspector, architect, or engineer. The person verifying your claim must have firsthand knowledge of your experience—that is, he or she must have observed the work that you have done—and must complete the experience certification portion of the application.

8. Are there education requirements for a license?

No. You do not have to meet any education requirements in order to qualify for a contractor's license.

However, many community colleges and private schools offer instruction in vocational education. For more information, contact the:

Chancellor's Office, California Community Colleges 1102 Q Street Sacramento, CA 95814 www.cccco.edu

or

Bureau for Private Postsecondary and Vocational Education 400 R Street, Suite 5000 Sacramento, CA 95814 (916) 445-3427 www.dca.ca.gov/bppve

(NOTE: CSLB will not make referrals or recommendations regarding license preparation schools.)

9. May I substitute any education, technical training, or apprenticeship training for the required experience?

You may receive credit for technical training, apprenticeship training, or education instead of a portion of the required four years of practical experience. At least one year must be practical experience. You must provide written documentation of any training or education claimed in place of experience. Acceptable documentation includes copies of apprenticeship certificates and college transcripts.

10. How much credit can I expect to receive for technical training, the completion of an approved apprenticeship program, or related college or university education?

The CSLB may credit training, apprenticeship, or education as follows:

A maximum of 1-1/2 years upon submission of transcripts of the following:

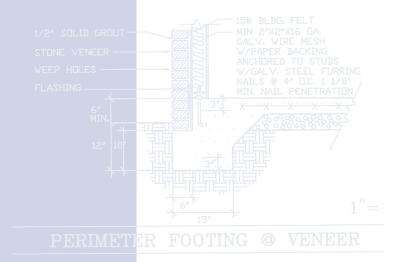
 An A.A. degree from an accredited school or college in building or construction management;

A maximum of two years upon submission of transcripts of any of the following:

- A four-year degree from an accredited college or university in the fields of accounting, business, economics, mathematics, physics, or areas related to the specific trade or craft for which application is being made;
- A professional degree in law; or
- Substantial college or university course work in accounting, architecture, business, construction technology, drafting, economics, engineering, mathematics, or physics.

A maximum of three years upon submission of any of the following:

- A Certificate of Completion of Apprenticeship from an accredited apprenticeship program or a certified statement of completion of apprenticeship training from a union in the classification for which application is being made;
- Submission of transcripts for a four-year degree from an accredited college or university in architecture, construction technology, or any field of engineering that is directly related to the classification for which application is being made; or
- Submission of transcripts for a four-year degree from an accredited college or university in the field of horticulture or landscape horticulture for the Landscaping (C-27) classification.



License Classifications

11. What are the contractor license classifications?

The CSLB issues licenses to contract in particular trades or fields of the construction profession. Each separate trade is recognized as a "classification." You may add as many classifications to your license as you can qualify for.

The CSLB issues licenses for the following classifications:

- Class "A"—General Engineering Contractor. The principal business is in connection with fixed works requiring specialized engineering knowledge and skill.
- Class "B"—General Building Contractor. The principal business is in connection with any structure built, being built, or to be built, requiring in its construction the use of at least two unrelated building trades or crafts; however, framing or carpentry projects may be performed without limitation. In some instances, a general building contractor may take a contract for projects involving one trade only if the general contractor holds the appropriate specialty license or subcontracts with an appropriately licensed specialty contractor to perform the work.
- Class "C"—Specialty Contractor. There are 41 separate "C" license classifications for contractors whose construction work requires special skill and whose principal contracting business involves the use of specialized building trades or crafts. Manufacturers are considered to be contractors if engaged in on-site construction, alteration, or repair.

12. In what trades may I obtain a class "C"
Specialty Contractor's
License?

You may obtain a license in any of the classifications listed below. For a detailed description of these classifications, consult the CSLB Rules and Regulations in the California Contractors License Law and Reference Book. (For ordering information, see pages 19 and 27.

CLASSIFICATION	CODE	SECTION	CLASSIFICATION CODE	SECTION .
Boiler, Hot Water Heating			Lock and Security Equipment C-28	832.28
and Steam Fitting	C-4	832.04	Low Voltage Systems	832.07
Building Moving and Demolition	C-21	832.21	Masonry C-29	832.29
Cabinet, Millwork and Finish Carpentry	C-6	832.06	Ornamental Metal	832.23
Concrete	C-8	832.08	Painting and Decorating C-33	832.33
Construction Zone Traffic Control	C-31	832.31	Parking and Highway Improvement C-32	832.32
Drywall	C-9	832.09	Pipeline C-34	832.34
Earthwork and Paving	C-12	832.12	Plumbing C-36	
Electrical (General)		832.10	Refrigeration	
Electrical Sign	C-45	832.45	Roofing C-39	832.39
Elevator		832.11	Sanitation System C-42	
Fencing	C-13	832.13	Sheet Metal C-43	
Fire Protection	C-16	832.16	Solar	832.46
Flooring and Floor Covering	C-15	832.15	Steel, Reinforcing C-50	832.50
Framing and Rough Carpentry	C-5	832.05	Steel, Structural C-51	832.51
General Manufactured Housing	C-47	832.47	Swimming Pool	832.53
Glazing	C-17	832.17	Tile (Ceramic and Mosaic)	
Insulation and Acoustical	C-2	832.02	Warm-Air Heating, Ventilating	
Landscaping	C-27	832.27	and Air Conditioning C-20	832.20
Lathing and Plastering	C-35	832.35	Water Conditioning C-55	832.55
Limited Specialty	C-61	832.61	Welding	
			Well-Drilling (Water) C-57	

13. Are there any special requirements for contractors who work with asbestos or other hazardous substances?

Contractors who work with asbestos or other hazardous substances are regulated by the United States Department of Labor, Federal Occupational Safety and Health Administration, and the California Department of Industrial Relations, Division of Occupational Safety and Health (DOSH), as well as by the CSLB. These contractors are subject to a number of certification, registration, reporting, and safety requirements.

The following are some of the CSLB's basic requirements:

- Before a license will be issued, every licensee must have completed, signed, and returned the open-book examination contained in the booklet, *Asbestos: A Contractor's Guide and Open-Book Examination*. The booklet contains general information about asbestos abatement standards.
- Asbestos abatement contractors must be certified by the CSLB. To become
 certified, a contractor must take and pass an EPA-accredited asbestos abatement
 course; complete the *Application for Asbestos Certification*; pass a comprehensive asbestos abatement exam; and register with the Asbestos Contractor Registration Unit of DOSH.
- Contractors who do hazardous substance removal work must be certified by the CSLB—they must complete an *Application for Hazardous Substance Removal and Remedial Actions*, and they must pass a CSLB certification examination. Any contractor who has a Class "A" General Engineering, "B" General Building, "C-36" Plumbing, "C-61 (D-40)" Service Station Equipment and Maintenance (only those licensees who currently hold this classification), "C-12" Earthwork and Paving, or "C-57" Well Drilling (Water) license is eligible to be certified.

In addition, contractors who install or remove underground storage tanks must hold this certification. CSLB Board policy currently limits certified contractors doing underground storage tank work as follows:

- General Engineering "A" contractors may install and/or remove underground storage tanks for any purpose at any location.
- Plumbing "C-36" contractors may install and/or remove any underground storage tank that provides service to a building—including storage tanks for service stations.
- Service Station Equipment and Maintenance "C-61/D-40" contractors may install and/or remove fuel underground storage tanks at service stations or any other site up to a capacity of 20,000 gallons. (No new C-61/D-40 licenses are issued for these purposes)
- General Building "B" contractors may, in the course of work performed under a contract that meets the requirements for the "B" classification (see Question 11), install and/or remove an underground storage tank if they have been properly certified for Hazardous Substance Removal and Remedial Actions.

14. Are there any other requirements I need to complete?

Contractors who engage in the business of home improvement or who provide goods and services for home improvement must obtain the *Home Improvement Certification*.

15. What is Home Improvement Certification?

The CSLB, as mandated by the Legislature, established a certification program for home improvement contractors.

"On and after July 1, 2000, a contractor may not engage in the business of home improvement or provide home improvement goods or services, as defined in B&P Code Section 7151, unless the contractor is certified as a home improvement contractor." (B&P Code, Section 7150.2c)

16. What qualifies as home improvement?

Home improvement means the repairing, remodeling, altering, converting, modernizing of, or adding to, residential property land or structures as it pertains to the classification you hold. It also covers providing home improvement goods and services.

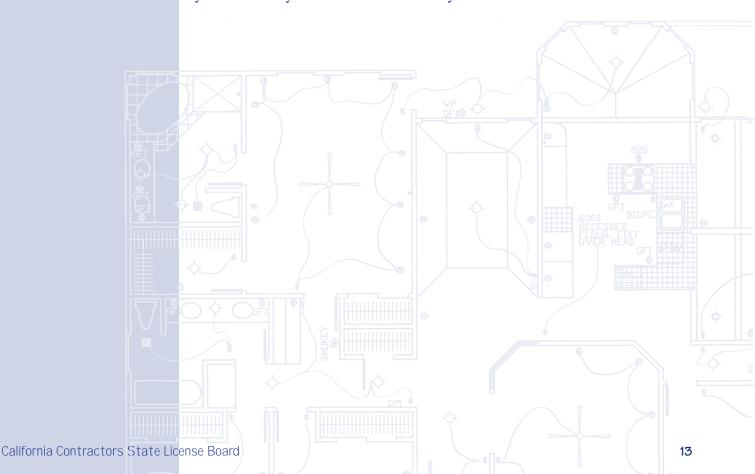
17. How can I obtain certification?

You must take and pass an open book examination on the legal guidelines for home improvement contracts.

The qualifier listed on the license application must take and pass the license certification examination.

The open book examination consists of approximately 20 multiple-choice questions based on the *Home Improvement Certification Reference Booklet* provided by CSLB.

The Reference booklet and the examination are accessible on the Internet at *www.cslb.ca.gov.* CSLB recommends you take the examination on the Internet so that you can obtain your test scores immediately.



Applying for a License

18. How do I apply for a contractor's license?

You must complete the following steps:

- Obtain an *Application for Original Contractor's License* from any office of the Contractors State License Board, by telephone from the CSLB's 24-hour automated public information line, (800) 321-CSLB (2752), or via the CSLB Web site, *www.cslb.ca.gov*;
- Take the time to read and follow carefully the instructions attached to the application. Note especially that if you are applying for credit for experience, *all* experience and certifications in support of experience must be submitted *with the application*. No experience verification will be accepted after the application has been accepted;
- Complete the application and all accompanying forms in ink or with a typewriter. Forms completed in pencil will be returned to you. Make sure you sign and date the application;
 - NOTE: Applicants with a disability requiring special testing accommodations must complete Form 13E-77, Special Accommodation Request For Examination. (See page 17 for more information.)
- Proofread your application for any omissions. If the Board has to return the application to you for any missing information, your license will be delayed; and
- Submit the \$250 nonrefundable application processing fee. Note the \$50 fee for each additional classification.

You may apply for only one classification which requires passing an examination. After your license is issued, you may apply for additional classifications that you qualify for.

You may only submit an application for more than one classification at a time if you have already qualified for each of the classifications you are applying for.

If you are required to take the examination, take the following steps:

 Submit the application, the application processing fee (\$250), and all required documents to:

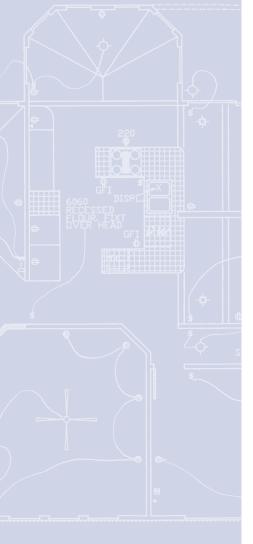
Contractors State License Board P.O. Box 26000 Sacramento, CA 95826

Be certain to include your return address on the envelope.

• Do not submit any bonds or the initial license fee with your application. Upon successful completion of your examination, you will be notified to submit the required documents and initial license fee. You must submit ALL required documents together to avoid delays.

If you are not required to take an examination for any classification for which you are applying, you must:

- Submit an application and \$400 (\$250 for the application processing fee and \$150 for the initial license fee);
- Submit a Contractor's Bond or equivalent in the business name of the applicant, and a Bond of Qualifying Individual or exemption statement for each Responsible Managing Officer or Responsible Managing Employee as appropriate. The Bond of Qualifying Individual must be in the names of the qualifying individuals and the business.



• Submit proof of Workers' Compensation Insurance, or exemption. If you have no employees, an exemption certificate (Form 13L-50) must be submitted. If the license is qualified by a Responsible Managing Employee, an exemption certificate cannot be submitted.

If you are applying for an inactive license, you must:

• Submit an application, the appropriate application processing fee, and the initial license fee. The same fees are required for inactive licenses as for active licenses.

NOTE: Bonds and Workers' Compensation Insurance are NOT required for an inactive license.

19. Will the CSLB acknowledge receipt of my application?

The CSLB will send you a letter of acknowledgment. This letter will contain two important numbers: a nine-digit Application Fee Number and a four-digit Personal Identification (PIN) Number, together with instructions on how to use these numbers to check on the progress of your application.

Your Application Fee Number, also known as your "receipt number," will also appear on the front of your canceled check, on the *Notice to Appear for Examination* and on a request for you to submit the appropriate documents and initial license fee. Please retain a record of this number, and use it in all inquiries regarding your pending application.

20. How long does it take to complete the license application process?

Because there are many factors that affect the time it takes to process an application (type of application, workload, vacancies, etc.), processing times continually change. By using your PIN (Personal Identification Number) and your Application Fee Number to do an Application Status Check, you can obtain information on what date the Board is currently working on in regard to your specific type of application. This information is updated weekly and will give you a good idea of when your application will be pulled for processing.

If no exam is required and all license requirements are met, a license can be issued shortly after being pulled for processing. If an exam is required, you will be given an exam date 4-8 weeks after the date the application is processed and considered acceptable (no corrections or additional information required). Additional time to complete the processing of your application is required after you pass the exam.

21. How will I know if my application is approved?

After your application is reviewed and approved, you will receive either a Notice to Appear for Examination, or, if the examination is waived, a request for documents and the initial license fee. Applications which require no examination can be submitted with the Contractors Bond, Bond of Qualifying Individual (if required), proof of Workers' Compensation Insurance, and applicable fees.

22. How can I check on the status of my application?

CSLB will send you an acknowledgment that they received your application. The acknowledgment letter will contain:

- Instructions on how to make inquiries;
- Your application fee number; and
- Your personal identification number (PIN) that will give you private access to your application status.

To check on the status of your application, visit CSLB's Web site, www.cslb.ca.gov, or call the toll-free automated information line, (800) 321-CSLB (2752).

23. What happens if my application is not approved?

Your application may be returned to you if it is insufficient or incomplete. You must provide any missing information, make corrections, and return your application within 90 days from the date it was returned. If it is not returned to the CSLB within 90 days, your application becomes void. You cannot reinstate it, and you must submit a new application and processing fee if you wish to pursue a license.

24. If my application is not approved, can you refund my application fee?

No. The fee is for processing the application, whether or not the application is approved. Since each application is filed for processing as soon as it arrives at the CSLB, the fee cannot be refunded.

25. How do I apply for a joint venture license?

A joint venture license is one that is issued to two or more licensees together (sole owners, partnerships, corporations or other joint ventures) whose licenses are current and active. A joint venture license may be issued in any or all of the classifications in which the members of the joint venture are licensed.

To apply for a joint venture license, you may submit your application to the CSLB headquarters office. The following requirements must be met:

- Each of the licensees participating in the joint venture must show its exact business name and license number as it appears in the records of the CSLB;
- One of the official personnel listed on the CSLB's records for each participating licensee (the owner, a partner or an officer of the corporation, but not a Responsible Managing Employee) must sign the application;
- Submit the required application filing fee and the initial license fee; and
- Submit the appropriate Contractor's Bond or cash deposit in the amount of \$7,500 (\$10,000 for the C-53 Swimming Pool classification). The bond or cash deposit must bear the same business name as the pending joint venture. Send the original bond; a copy is not acceptable.

No examination or public posting is required.

26. When does a joint venture license expire?

The joint venture license will expire two years from the last day of the month in which the license was issued. Each license included in the joint venture must be current and active before the joint venture license can be renewed in active status.

27. What is cause for suspension of a joint venture license?

If any of the member licenses ceases to be current and active, the joint venture license will be suspended.

Licensing Examinations

28. Is there an examination requirement for a contractor's license?

The qualifying individual for a contractor's license is required to pass the written Law and Business and trade examinations unless he or she meets the requirements for a waiver.

29. Under what circumstances is a waiver of an examination aranted?

The examination requirement is waived if the qualifying individual meets the following conditions:

- The person is currently the qualifying individual for a license in good standing in the same classification for which he or she is applying; or
- The person has been a qualifying individual within the past five years for a license in good standing in the same classification for which he or she is applying; or
- Within the last five years, the person has passed both the Law and Business examination and the trade examination in the same classification for which he or she is applying.

30. Are there any additional circumstances under which a waiver of an examination may be requested?

Yes, if the qualifying individual meets either of the two following criteria:

• For at least five years within the immediately preceding seven-year period, the qualifying individual must have been a member of the official personnel listed on the CSLB's records for any license that was active and in good standing, in the same classification applied for. He or she must have been actively engaged in that licensee's construction activities during those five years.

OR

• The qualifying individual is a member of the immediate family of a licensee whose individual license was active and in good standing for five of the seven years immediately preceding the application. The qualifying individual must have been actively engaged in the licensee's business for five of the previous seven years, must be applying in the same classification, and the license must be required in order to continue the operations of an existing family business in the event of the absence or death of the licensee.

Special Accommodation Request For Examination

In compliance with the Americans with Disabilities Act (ADA), Public Law 101-336, the CSLB provides "reasonable accommodations" for applicants with disabilities that may affect their ability to take required examinations. It is the applicant's responsibility to notify the CSLB of alternative arrangements needed. The CSLB is not required by the ADA to provide special accommodations if they are unaware of specific needs. To request special accommodations, submit Form 13E-77, Special Accommodation Request For Examination. Forms are part of the application packet and are also available in any CSLB office.

31. If I think I am eligible for a waiver, must I complete the experience section of the application?

Even if you think that you are eligible for an examination waiver, you must complete the experience section of the application to document a minimum of five years of journey-level experience.

All experience claims must be verified by a qualified and responsible person, such as an employer, fellow employee, other journeyman, contractor, union representative, building inspector, architect, or engineer. The person verifying your claim must have firsthand knowledge of your experience; that is, he or she must have observed the work that you have done.

Exceptions—you are not required to document your experience if any of the following conditions exist:

- You are currently a qualifier on a license in good standing in the same classification(s) for which you are applying;
- You have been a qualifier within the past five years on a license in good standing in the same classification(s) for which you are applying; or
- Within the last five years, you have passed both the Law and Business Examination and the trade examination in the same classification for which you are applying, and the license for which you took the examinations was not denied due to lack of work experience.

32. How will I find out if I have to take the examination?

If you have to take the examination, you will be sent a *Notice to Appear for Examination*.

If you qualify for a waiver, you will be sent a notice requesting the required documents and fees be submitted.

33. How soon after filing my application will I receive my Notice to Appear for Examination?

Scheduling of the exam occurs after your application is processed and deemed acceptable (See Question 20). You will be scheduled for the exam approximately 4-6 weeks after your application is accepted. You should receive your examination notice at least three weeks prior to the examination.

34. Where are the examinations given?

To make the examination procedure more convenient for applicants, testing centers are located throughout the state. The seven examination sites are located in San Diego, San Bernardino, Norwalk, Oxnard, Oakland, Sacramento, and Fresno. CSLB testing staff use zip codes to assign applicants to the testing center nearest their business address.

The *Notice to Appear for Examination* mailed to you will state where you will take your examination, what identification is required, and directions on how to get to the examination site.

35. What are the major components of the examination?

There are two parts to the examination process. All qualifying individuals must pass the standard Law and Business examination. In addition, qualifying individuals must pass a second test covering the specific trade or certification area for which they are applying, with the exception of the C-61 Limited Specialty Classification. No trade examination is required for this clssification.

36. What does the Law and Business examination cover?

The Law and Business examination consists of multiple choice questions related to business management and construction law. Applicants can find information on the breakdown of the topics covered in the examination in the *Study Guide for the Law and Business Examination* that is sent to applicants along with the *Notice to Appear for Examination*.

37. How can I prepare for the Law and Business examination?

The current edition of the *California Contractors License Law and Reference Book* is the basic study reference. Copies may be purchased from the Department of General Services, Office of Procurement, Publication Section:

Counter Sales: 1700 National Drive, Sacramento, CA 95834, Monday–Friday, 8 a.m.–5 p.m.

Mail Order: Please send check or money order (no cash) payable to *Procurement-Publications* with request to: General Services, Office of Procurement, P.O. Box 1015, North Highlands, CA 95660.

When ordering by mail, include a street address and the recipient's name. All orders are shipped by UPS and cannot be delivered to a post office box.

Please call for the current price: (916) 928-4630.

The *California License Law and Reference Book* is not sold at any CSLB office. Copies may be available from some specialty book stores. Please check your local telephone directory.

Other suggested study materials are listed in the resource list included in the *Study Guide for the Law and Business Examination*. These additional resource materials include employer's guides from state and federal tax agencies, and materials focusing on business management and construction law. The study guide is available on the CSLB Web site, *www.cslb.ca.gov*, or by calling the 24-hour automated public information line, (800) 321-CSLB (2752).

38. How can I prepare for my trade or certification examination?

A study guide for each examination is available from the CSLB and will be sent to you with your *Notice to Appear For Examination*. The study guide (*also available on the CSLB Web site*) lists the topic areas covered by the examination, shows how each area is weighted, and recommends resource materials to study.

39. What are the trade examinations like?

All trade examinations consist of multiple-choice questions. You will be informed at the test site about the percentage of correct answers needed to pass each examination. Most examinations include questions that refer to accompanying blueprints and/or booklets containing drawings.

40. What should I bring to the examination site?

You will need your Notice to Appear for Examination to be admitted to the test center.

You must also bring picture identification (either a current valid driver's license, Department of Motor Vehicles identification card, or military identification card).

You may also bring a scale ruler. Pencils, scratch paper, calculators and rulers will be provided at the test center.

No personal calculators, cell phones or pagers are permitted in the testing area. All personal items must be placed in common storage area at your own risk. You are advised to leave articles of value locked in your vehicle since the test center staff do not watch the storage area.

41. How long does the examination take?

You will be given 2 -1/2 hours to complete each examination.

42. What is involved with the computer-assisted testing (CAT) system?

You will be taking your examination on the easy-to-use computer-assisted testing (CAT) system. No prior experience with computers is necessary—only the space bar and four arrow keys on the keyboard are needed. The test monitor guides all test-takers through a short exercise to help them feel at ease with the computer.

43. What kind of feedback will I receive?

Successful test-takers are told only that they have passed the examination. They will not be given detailed information about the score.

Applicants who are not successful are told the percentage of questions they answered correctly. In addition, they are given a statement showing how well they did in each section of the test. These sections are described in greater detail in the Study Guide for that examination so the test-taker will know what areas to emphasize in preparing to retake the examination.

44. If I fail to appear for an examination or fail to pass the Law and Business and/or a trade examination, may I retake the examination(s)?

Yes. If you fail to appear for an examination, you must pay a \$50 rescheduling fee. If you fail to appear a second time, your application will be considered void, and you will have to submit a new application with new fees. Your examination may be rescheduled one time without a fee if you provide documented evidence that the failure to appear was due to a medical emergency or other circumstance beyond your control.

If you fail the Law and Business examination and/or your trade examination, you must also pay a \$50 fee each time you are rescheduled. You are given 18 months to pass the examinations. If you do not pass within 18 months after your application is accepted by the Board, your application is considered void, and you will have to submit a new application. The void date on an application may be extended up to 90 days if you provide documented evidence that the failure to complete the application process was due to a medical emergency or other circumstance beyond your control.

To file for rescheduling, complete the application on the bottom of the notice informing you that you failed to pass the examination and submit it with the \$50 fee to the CSLB. (Please note any address change on this form.) You will be sent a notice informing you where and when to appear for your next examination.

Examination results are good for five years. If you pass either the trade or the Law and Business examination but fail the other, you need only take the examination you failed as long as you retake the examination within five years.

45. May I review the test questions after the examinations?

No. Test questions and answer keys are not available for review. You may file a written protest or critique of any examination question(s) after you have completed your examination and before you turn in your examination materials to the proctor.

46. Are there any penalties for disclosing the contents of a state examination?

Conduct which violates the security of the examination includes providing information about test questions to any school, person, or business other than CSLB examination staff; removing examination materials from the examination site (includes writing down examination questions for future use); communicating with other examinees during an examination; copying or permitting your answers to be copied; having in your possession any written material other than test materials provided by the CSLB; or taking the examination on behalf of another applicant.

Penalties for conduct that violates the security of the examination include prosecution on misdemeanor charges resulting in a fine of \$500, payment of damages of up to \$10,000 plus the costs of litigation, and a sentence in the county jail. You would also be subject to automatic test failure; any fee(s) paid to the State of California would not be refunded; and you would not be allowed to apply for any license classification for a period of one year from your examination date.

47. What will I receive to show that I'm licensed?

You will receive a wall certificate showing the name of the person or company to which the certificate has been issued, the license number, and the date of issue; and a permanent plastic pocket card showing the license number, business name, classification(s), certifications (if applicable) and the license expiration date. The law requires that you display your wall certificate in your main office or chief place of business. You should also make it a habit to carry your pocket card, especially in situations where you think you might be soliciting business or talking to potential customers.

48. How long before I receive those documents?

You should receive your wall certificate and pocket card within approximately one week of the time your license is issued.



License Issuance

49. To whom is a license issued?

A license may be issued to an individual, a partnership, a corporation, or a joint venture. The license belongs to the owner of an individual license, to the partnership, to the corporation as it is registered with the California Secretary of State, or to the combination of licensees who are party to the joint venture. The CSLB does not issue licenses to Limited Liability Companies (LLC's).

50. If the ownership of a business changes, is the contractor's license considered to be part of the purchase?

No, with the possible exception of a corporation. If the corporation's registration number assigned by the California Secretary of State remains the same, the same license can be used if the license is current and active. The officers and the qualifying individual do not necessarily have to remain the same.

51. What is the difference between an active and an inactive license?

The holder of an active license is entitled to contract for work in the classifications which appear on the license. While the license is active, the licensee must maintain a current Contractor's Bond, a Bond of Qualifying Individual (if required), and Workers' Compensation Insurance coverage.

If a license is inactive, that is, currently renewed but on inactive status, the holder may not bid or contract for work. Neither the Contractor's Bond nor the Bond of Qualifying Individual is required for an inactive license. Also, a licensee does not need to have either the proof or exemption for workers' compensation insurance coverage on file with the CSLB while the license is inactive (*see Question 62*).

52. To whom does the term "qualifying individual" refer?

A qualifying individual, or simply "qualifier," is the person listed on the CSLB records who meets the experience and examination requirements for the license. A qualifying individual is required for every classification on each license issued by the CSLB.

53. What is the qualifying individual required to do?

The qualifying individual for a license is responsible for the employer's (or principal's) construction operations.

54. Can the same person serve as the qualifier for more than one license?

A person may act as a qualifying individual for more than one active license only if one of the following conditions exists:

- There is a common ownership of at least 20 percent of the equity of each firm for which the person acts as a qualifier;
- The additional firm is a subsidiary of or a joint venture with the first; or
- The majority of the partners or officers are the same.

Even if he or she meets the above conditions, A PERSON MAY SERVE AS THE QUALIFYING INDIVIDUAL FOR NO MORE THAN THREE FIRMS IN ANY ONE-YEAR PERIOD. If a qualifier disassociates from the third firm, he or she must wait one year before associating with a new third firm.

A Responsible Managing Employee (RME) can only act as a qualifying individual for one active license at a time.

55. Who can be a qualifying individual?

If you have an individual license, your qualifier may be either a Responsible Managing Employee (RME) or you.

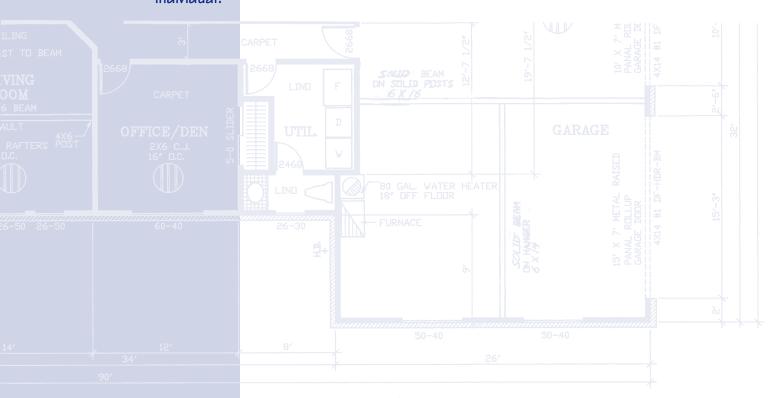
If you have a partnership license, your qualifier may either be one of the general partners (who shall be designated as the qualifying partner) or the RME.

If you have a corporate license, your qualifier may be either one of the officers listed on the CSLB's records for your license (who shall be designated as the Responsible Managing Officer, or RMO), or an RME.

If your qualifying individual is a Responsible Managing Employee, he or she must be a bona fide employee of the firm and may not be the qualifier on any other active license. This means that the RME must be regularly employed by the firm and actively involved in the operation of the business at least 32 hours per week or 80 percent of the total business operating hours per week, whichever is less.

56. Will a conviction for a criminal offense prevent a person from being licensed as a contractor or from serving as a qualifying individual?

The CSLB's applications and other forms include questions regarding criminal convictions. The CSLB may deny a license if the crime is substantially related to the construction profession. Failure to disclose the requested information may, in and of itself, be grounds for denial of a license.



<u>oor plan</u>

1/4 = 1 SQ. FT. LIVING AREA 191 SQ. FT. GARAGE

Financial Requirements

57. Are there any financial requirements to meet in order to qualify for a contractor's license?

Yes. All applicants for a new contractor's license, other than those applying for a joint venture license, must have more than \$2,500 worth of operating capital. Operating capital is defined as your current assets minus your current liabilities.

58. Are there any bond requirements for a contractor's license?

Yes. It is your responsibility to file a contractor's bond or cash deposit with the Registrar in the amount of \$7,500 (except for the C-53, Swimming Pool classification, which requires a \$10,000 bond or cash deposit). In addition, you must submit a separate Bond of Qualifying Individual or cash deposit in the amount of \$7,500 for the Responsible Managing Employee (RME) or the Responsible Managing Officer (RMO). However, the CSLB may grant an exemption from the requirement to file a Bond of Qualifying Individual if the RMO certifies that he or she owns 10 percent or more of the voting stock or equity of the corporation for which he or she is to serve as the qualifying individual.

59. Where do I obtain bonds?

You may purchase bonds from your insurance agent or from one of the private holding companies licensed by the State Department of Insurance. The CSLB does not issue bonds. Copies of the approved bond form and information regarding cash alternatives to bonds are available from the CSLB upon request.

60. How long is a bond valid?

A bond may be issued for whatever length of time you and your insurance agent or bond company representative arrange. Most bonds are issued for a period of one to three years. At the end of that time, the bond may be canceled, or the bond company may request another premium to extend the life of the bond.

61. What is the total amount of the fees I must pay to obtain a contractor's license?

Fees are subject to change. Current fees are printed on the application forms and notices distributed to you. You may call the CSLB to verify the fees. Currently, it costs a total of \$400 in fees to obtain a contractor's license for one classification. This amount includes both the nonrefundable application processing fee, and the two-year initial license fee.

62. Do I need to be concerned about Workers' Compensation Insurance?

All contractors are required to present proof of workers' compensation insurance coverage as a condition of licensure, to maintain a license, to activate an inactive license, or to renew a license, unless they are exempt from this requirement. Contractors who do not have employees working for them are exempt from the requirement for workers' compensation insurance, but they will be required to file a certification of this exemption with the Registrar. If the license is qualified by a Responsible Managing Employee (RME), an exemption certificate cannot be submitted. Neither the proof of coverage nor the exemption is required for an inactive license (*see Question 51*).

63. How long is a license valid?

A contractor's license is initially issued for a two-year period. It will expire two years from the last day of the month in which it was issued. Licenses may be renewed for two years at a time if renewed on active status, or for four years if renewed on inactive status.

Schedule of Fees

Fees listed here are current as of January 2003. Call CSLB's automated phone system, 1-800-321-CSLB (2752), or check *www.cslb.ca.gov*, to verify fees and request order forms. (All fees are subject to change.)

Application Fees

Miscellaneous Fees

Renewal Fees

CSLB's Automated Phone System—(800) 321-CSLB (2752)

Call CSLB's toll-free 24-hour automated phone system for information on applying for a license, license maintenance, answers to frequently-asked questions, and forms and publications. The system can be accessed day or night, weekends and holidays, and regular business hours. To use the shortcuts below, dial (800) 321-CSLB (2752), then enter the codes for the information you need. It is not necessary to wait for individual prompts.

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Maintaining your Contractor's License				
1221	License Renewal			
122211	Bond Requirements			
122212	Workers' Compensation Insurance Requirements			
12222	Qualifying Person Requirements			
122223	Replacing the Qualifying Person			
12223	Home Improvement Certification			
122241	Civil Court Judgment Information			
122242	Family Support Information			
122311	Business Name Changes			
1223121	Adding a Classification			
1223122	Adding a Certification			
122313	Officer Changes			
1223141	Inactivating a License			
1223142	Reactivating a License			
1223143	Canceling a License			
12232	License Business Structure			
1224	Laws and Classification Information			
1241	How to Resolve a Complaint			

Types of Complaints

Complaint Disclosure

SWIFT Info

1242

1243

1244

1234

1234

1234

Ordering Forms for License Maintenance				
1231	Order Original Application for Contractors License			
1231	Order Condensed Version of Original Application			
1231	Order Additional Classification Application			
1231	Order RME/O Replacement Application			
12315	Order Asbestos Removal Certification Application			
12315	Order Hazardous Removal Certification Application			
12315	Order Home Improvement Certification Application			
1232	Order Renewal Application			
1232	Order Inactivation Application			
1232	Order Reactivation Application			
1233	Order Business Name/Address Change Form			
1233	Order Officer Change Form			
1233	Order Disassociation Form			
1234	Order Bond/Cash Alternative Forms			

Order Workers' Compensation Exemption Form

Order Home Improvement Salesperson Application

Order Joint Venture Application

Contractor Information & Pamphlets

- Order "Asbestos, A Contractors Guide and Open Book Exam" 142 Order "Blueprint for Becoming a California Licensed
- 142 Order Home Improvement Contracts Application and
- Contractor License Status 11

Exam"

Consumer Information & Pamphlets

- Order "What You Should Know Before You Hire a Contractor"
- 141 Order "A Consumer Guide to Asbestos"
- Order "A Consumer Guide to Filing Construction 141 Complaints
- 132 How to File a Complaint
- 141 Order a Complaint Form
- 131 Complaint Disclosure Information
- 132 Info about Your Pending Complaint
- 1323 Reporting Civil Court Judgments

Documents in Writing

- 1332 General Status Letters
- 1332 **Bond Status Letters**
- 1333 Verified Certificates
- Copies of Public Documents 1334

Applying for a Contractor's License

- 1211 Who Needs a License?
- 1212 Classification Information
- 12131 **Application Requirements**
- 12132 **Exam Information**
- 12133 Waiver of Exam Information
- 12134 License Issuance Information

Information for contractors and consumers is also available on CSLB's Web site.

www.cslb.ca.gov

CSLB Publication Order Form

You can order the free publications listed below from our automated phone system by calling (800) 321-CSLB (2752), or visit CSLB's Web site, *www.cslb.ca.gov*, where an order form and selected publications are available online. You can also fax this form to (916) 255-1395, or mail it to:

CSLB Publications, P. O. Box 26000, Sacramento, CA 95826

QUANTITY	Booklets	Serving
	Before You Dive Into Swimming Pool Construction	California
	Blueprint for Becoming a California Licensed Contractor	Since 1929
	Consumer Guide to Asbestos	
	Description of Classifications	CSLB
	Home Improvement Contracts: Putting the Pieces Together	CONTRACTORS
	What You Should Know Before You Hire a Contractor	STATE LICENSE BOARD
	Pamphlets Pamph Pa	
	Advertising Do's & Don'ts for Contractors	
	After a Disaster	
	Building Your Career as a Licensed Contractor (English, Spanish)	
	Consumer Guide to Filing Construction Complaints (English, Spanish)	
	Guide to Contractor License Bonds	
	Tips for Hiring a Roofing Contractor	
	What Seniors Should Know Before Hiring a Contractor (English, Spanish)	
	What You Should Know Before You Hire a Contractor (English, Spanish)	
	Name:	
	Street Address:	

The *California Contractors License Law and Reference Book (2002 Edition)* is available from the Department of General Services (DGS). The price is \$17.70, which includes tax, postage and handling and is available as follows:

Counter sales: Monday-Friday, 8 a.m.–5 p.m., at the Department of General Services, 1700 National Drive, Sacramento, CA; (916) 928-4630.

Mail order: Department of General Services, Office of Procurement, P.O. Box 1015, North Highlands, CA 95660. When ordering by mail, send a check or money order payable to *Procurement-Publications*, and include a street address and the recipient's name. *All orders are shipped by UPS and cannot be delivered to a post office box*.

The *California Contractors License Law and Reference Book* is not sold at any office of the Contractors State License Board. Copies may be available from specialty book stores—check your local telephone directory.

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